

EXHIBIT “B”

1 A. Yes.
2 Q. Recently?
3 A. No.
4 Q. Really it's a simple
5 process. I ask questions, and if your
6 counsel doesn't object or instruct you
7 otherwise, you respond to them. The few
8 rules are: you have to give verbal
9 responses because the court reporter who
10 is here can't take down a nonverbal
11 response. We have to make an effort not
12 to speak at the same time because that's
13 difficult for the court reporter to take
14 down. And, finally, it's real important
15 that you're answering what I've asked.
16 So, therefore, if at any time, for any
17 reason, you don't understand what I've
18 said, I'm speaking too quickly, I've used
19 a word you don't know, you haven't heard
20 me, whatever reason, please ask me to
21 repeat or rephrase and I'll do that;
22 because if you do answer my question, I
23 will assume that you have understood it.
24 Is that acceptable to you, sir?

1 A. Yes.
2 Q. Why don't you give me a
3 little background about yourself, sir.
4 Give me your educational background and
5 your employment history.
6 A. B.S. in chemistry from
7 Widener University in 1980. I started
8 working for Scott Environmental doing
9 sewer submission sampling and analysis.
10 In 1982 I went to work for Reliance
11 Insurance Company doing analytical work
12 in their laboratory.
13 Q. What year was that?
14 A. 1982.
15 Q. Okay.
16 A. In 1984 Allen Sutherland and
17 myself started Accredited Environmental
18 Solutions mostly doing asbestos work and
19 surveys. In 1988 Allen and I split and I
20 started Environmental Hazard Services.
21 In 1996 I sold Environmental Hazard
22 Services and opened up EHS Environmental
23 Laboratories which became EHS
24 Laboratories which became EHS

1 Environmental.
2 Q. When did you open up EHS
3 Laboratories? In 1996?
4 A. Yeah. In '96 we started
5 doing work as EHS Laboratories after we
6 sold Environmental Hazard Services.
7 Q. And when you say "we," who
8 is we?
9 A. Just me and my employees.
10 Q. All right. EHS
11 Laboratories, bring me forward from
12 there, if you could, please.
13 A. EHS Laboratories, we changed
14 names to EHS Environmental and have
15 continued to work as EHS Environmental
16 since then.
17 Q. What was the business of EHS
18 Laboratories, what did they do?
19 A. We did building surveys,
20 asbestos air monitoring and airborne
21 sample analysis for asbestos.
22 Q. And EHS Environmental, that
23 included the business of EHS
24 Laboratories?

1 A. It's the same business, we
2 just changed the name because we weren't
3 doing laboratory services anymore. When
4 we sold Environmental Hazard Services we
5 sold off the laboratory services.
6 Q. And EHS Environmental began
7 to do laboratory services as well?
8 A. No. The only,
9 quote/unquote, "laboratory services" EHS
10 Environmental does is airborne asbestos
11 sample analysis in the field.
12 Q. Now, in '96 you say you sold
13 Environmental Hazard Services, Inc.; is
14 that correct?
15 A. Yes.
16 Q. And what was the business of
17 Environmental Hazard Services, Inc.?
18 A. Environmental Hazard
19 Services, Inc., did building surveys as
20 well as laboratory services for asbestos:
21 bulk samples, asbestos air samples and
22 lead.
23 Q. In this case Environmental
24 Hazard Services, Inc., performed a Phase

<p>14</p> <p>1 Q. Now, I asked questions about</p> <p>2 the Phase 1 analysis because that's what</p> <p>3 I'm familiar with in this case. After</p> <p>4 you sold off whatever you sold off to</p> <p>5 EHSI, what were you still entitled to do?</p> <p>6 A. Collection of samples and</p> <p>7 Phase 1s. Building surveys. I could</p> <p>8 still do basically anything; there was</p> <p>9 not really a non-compete to not continue</p> <p>10 to do sample analysis, but we chose not</p> <p>11 to until several years later when we</p> <p>12 started doing asbestos analysis for air</p> <p>13 samples.</p> <p>14 Q. I'm looking at page 14,</p> <p>15 paragraph 11. When you say there really</p> <p>16 weren't any covenants or whatever, I'm</p> <p>17 looking and it says "Post-closing</p> <p>18 Covenants." And this is what you're</p> <p>19 referring to as what you were restricted</p> <p>20 to do and not were restricted to do?</p> <p>21 A. Yes.</p> <p>22 Q. There weren't any other</p> <p>23 agreements indicating what you could do</p> <p>24 and couldn't do competitively, were</p>	<p>16</p> <p>1 Laboratories, you changed the name to</p> <p>2 become EHS Environmental; is that</p> <p>3 correct?</p> <p>4 A. Yes.</p> <p>5 Q. So they're the same</p> <p>6 corporate structure, though; is that</p> <p>7 correct?</p> <p>8 A. Yes.</p> <p>9 Q. You are the sole</p> <p>10 shareholder?</p> <p>11 A. Yes.</p> <p>12 Q. Are there any other officers</p> <p>13 of EHS Environmental other than yourself?</p> <p>14 A. No.</p> <p>15 Q. Now, that was true of</p> <p>16 Environmental Hazard Services, Inc., as</p> <p>17 well, was it not?</p> <p>18 A. Yes.</p> <p>19 Q. So EHS Laboratories, which</p> <p>20 became EHS Environmental, continued to do</p> <p>21 the same sort of Phase 1 evaluations or</p> <p>22 Phase 1 work that Environmental Hazard</p> <p>23 Services, Inc., did, did they not?</p> <p>24 A. Yes.</p>
<p>15</p> <p>1 there?</p> <p>2 A. No.</p> <p>3 Q. Now, this protected list of</p> <p>4 customers, this "Schedule Of Clients,"</p> <p>5 this is now March 23, '95, the date of</p> <p>6 the agreement, how far back did this</p> <p>7 schedule of customers go? Was it '95?</p> <p>8 '94? '93? '92? Forever? What was it?</p> <p>9 A. I'm not sure.</p> <p>10 Q. Now, you formed EHS</p> <p>11 Laboratories directly after you sold</p> <p>12 Environmental Hazard Services, Inc.; is</p> <p>13 that correct?</p> <p>14 A. No.</p> <p>15 Q. How long a time went by</p> <p>16 before you formed it?</p> <p>17 A. No time went by. EHS</p> <p>18 Laboratories was formed before we sold</p> <p>19 it.</p> <p>20 Q. Within a few months or a</p> <p>21 year?</p> <p>22 A. I think EHS Laboratories was</p> <p>23 incorporated around 1992.</p> <p>24 Q. And you're saying EHS</p>	<p>17</p> <p>1 Q. Called on the same customers</p> <p>2 that they had before?</p> <p>3 A. Yes.</p> <p>4 Q. Sir, this case began as a</p> <p>5 Complaint filed in federal court, it's a</p> <p>6 matter of public record. You've seen a</p> <p>7 copy of this Complaint; is that correct?</p> <p>8 A. Yes.</p> <p>9 Q. And an Answer was filed by</p> <p>10 your former counsel on or about August 2,</p> <p>11 2002. Did you see a copy of that before</p> <p>12 it was filed?</p> <p>13 A. I don't believe so.</p> <p>14 Q. Did you discuss this Answer</p> <p>15 with your former counsel before it was</p> <p>16 filed?</p> <p>17 A. Yes, I believe so.</p> <p>18 Q. Did you discuss with him the</p> <p>19 items, without going into as to what you</p> <p>20 discussed, the items in the Complaint and</p> <p>21 the fact that an Answer was going to have</p> <p>22 to be filed?</p> <p>23 A. Yes.</p> <p>24 Q. And he asked you how to, you</p>